US EXECUTIVE APPROVAL FORM

Union Electric Steel Corporation

HQAPP Requests:
1. Discount approval: Store plus 20.5% for 40.5% total discount. (March 7th Price List)

Deal Summary:

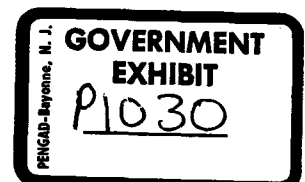| Deal Summary	
Programs	Ebusiness Suite Migration: Professional Users and ID Add-ons: Employee Users – 40 Advanced Supply Chain Planning - $60 M Cost of Goods Sold Constraint Based Optimization - $60 M Cost of Goods Sold Manufacturing Scheduling – 10 Users
License Discount	40.5% (ebiz + 20.5%)
Support Discount	40.5 % (ebiz + 20.5%)
List License	$175,000 – EBS Migration Aggregate List License Fee $143,450 – Add-on List License $318,450 – Total List License
List Support	$38,500 - Total Migrated Support $31,559 – Add-on List Support $70,059 – Total List Support
Net License	After Credit and Discount $85,352 – Add-on Net License $14,300 – EBS License Migration Fee $99,653 – Total Net License
Net Support	$38,500 - Total Migrated Support $18,777 – Add-on List Support $57,277 – Total List Support
Net Total Price	$156,930
Price List Used	March 7, 2003

Justification:

- Oracle is in a competitive situation with Lilly's Visual Manufacturing.
- A key piece of functionality in the solution is the finite scheduler. Visual Manufacturing has a drag-n-drop scheduler with a very slick UI, which Union Electric likes. Also, Lilly has execellent steel industry references, and is a cost effective tier 2 solution. As a mid-size company, they feel Oracle could be too expensive to maintain.
- Union Electric feels Visual Mfg will be much easier to implement than a migration from 10.7 to 11i.
- To justify Oracle, they cannot justify spending more than $100K in license, because of the cost of implementation and on-going support.
- In order to keep them as a customer, we need to extend this discount.
- We have a verbal commitment from the customer to move forward on the deal if we deliver the above discount.

Recommendation:

Approve. Make sure contract includes 10% migration fees and maintains existing support.

Submitted By: *Timothy Hogarty, ASR John Boucher AVP*
Field RM name if submitted by OracleDirect: Douglas Keister

R: 05/07/03
C: 05/07/03
L: 05/07/03
A: 05/07/03

GOVERNMENT EXHIBIT
P1030